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Earlier Spy Reports Went Unprosecuted

NBC Cited 'Ivy Bells' in 1985 Broadcast

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Last Nov. 27, NBC news correspondent James Polk broadcast a report on the network's "Nightly News" program on a court hearing for accused spy Ronald W. Pelton.

The hearing, Polk reported, had produced a clue to what secrets the former National Security Agency communications specialist may have sold to the Soviets. A defense attorney had, in questioning an FBI agent, asked him about a project code-named "Ivy Bells."

"There are indications," Polk said, "[that] Ivy Bells refers to a Navy eavesdropping operation. The Navy is known to have submarines outside Soviet harbors listening to what the Russians say."

The item produced no public comment—and no threat of prosecution from the government.

Last Monday morning, with the Pelton trial about to start in U.S. District Court in Baltimore, Polk dusted off his old notes for a scene setter.

"Pelton," the correspondent said on the "Today" show, "apparently gave away one of the NSA's most sensitive secrets—a project with the code name 'Ivy Bells'—believed to be a top secret underwater eavesdropping operation by American submarines, inside Russian harbors."

At NBC, sources said, the preview was treated as a routine story that got no special attention. But within hours, Central Intelligence Agency Director William J. Casey had announced his belief that Polk's assertions, "if true," violated the strictures of a 1950 law "against publishing any classified information concerning the communications intelligence activities of the United States." The law has never been used against a news organization, and only sparingly invoked against accused spies such as Pelton.

"My statutory obligation to protect intelligence sources and methods requires me to refer this matter to the Department of Justice," Casey said in a statement read to news organizations.

Justice Deparment officials said yesterday that the matter was being reviewed by Criminal Division lawyers in light of the espionage law Casey cited. Casey reportedly met with Attorney General Edwin Meese III during the day, but sources said the meeting concerned other matters.

The CIA was apparently continuing to review a Washington Post article on the Pelton case published Wednesday that said Pelton had compromised a costly, long-running and highly sophisticated electronic eavesdropping operation involving U. S. submarines and a high-technology device that officials believe is now in Soviet hands. There has been no indication yet that the government intends to refer the Post story to the Justice Department for possible prosecution.

Sources at NBC noted that news media accounts of eavesdropping operations involving submarines have recurred for many years.

In January 1974, for instance, The Washington Post reported in a front-page article by the late Laurence Stern that "the United States maintains a fleet of electronic eavesdropping submarines operating close to the Soviet coastline to monitor Russian submarine activity and secret military communications."

The article, describing the submarines as "underwater U2s" roaming Soviet territorial waters as part of a project code-named "Holystone," said the ships were equipped to collect a wide variety of electronic communications and radar intelligence. It also said the Soviets probably knew about the surveillance and, quoting intelligence sources, mentioned a narrow escape by one sub and a collision of another with a Soviet sub near the Russian coast.

The next year, The New York Times published several, more extensive articles by Seymour Hersh about the Holystone operations, which he said had been more recently code-named "Pinnacle" and "Bollard." The article quoted one source as saying that the nuclear-powered submarines in use "were able to plug into Soviet land communication cables strewn across the ocean bottom and thus were able to intercept high-level military messages and other communications considered too important to be sent by radio or other less secure means."

Then-Defense Secretary James R. Schlesinger was so angry about what Hersh wrote that he wanted the reporter prosecuted, sources said, but it was the age of Watergate and investigations of the CIA, the NSA and other intelligence agencies were in full swing. Former Schlesinger aide Joseph Laitin, now the ombudsman at The Post, recalled that the Ford White House sent negative signals and Laitin added his own, urging Schlesinger to look instead for the leakers. The idea of prosecuting Hersh was dropped, but not, according to one source, before it got some attention at the Justice Department.

Since then, there have been other allusions to U.S. underwater eavesdropping in the press and in books by authors such as American University Prof. Jeffrey Richelson. They were not prosecuted.

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